

INVESTMENT BOARD

Budget Summary							
Fund	2002-03 Base Year Doubled	2003-05 Governor	2003-05 Jt. Finance	2003-05 Legislature	2003-05 Act 33	Act 33 Change Over Base Year Doubled	
						Amount	Percent
PR	\$35,441,000	\$35,441,000	\$35,441,000	\$35,441,000	\$35,441,000	\$0	0.0%

FTE Position Summary						
Fund	2002-03 Base	2004-05 Governor	2004-05 Jt. Finance	2004-05 Legislature	2004-05 Act 33	Act 33 Change Over 2002-03 Base
PR	104.50	104.50	104.50	104.50	104.50	0.00

Under s. 25.187 of the statutes, the agency's budget for a fiscal year is indexed to 0.0275% of assets under management on April 30 of the preceding fiscal year, or \$17,720,500, whichever amount is greater. On April 30, 2003, the Investment Board had \$59,700,000,000 of assets under management. As a result, budget authority for the 2003-04 fiscal year is established at \$17,720,500. The actual budget levels for the 2004-05 fiscal year will be determined by the amount of assets under management on April 30, 2004.

The Governor, the Joint Committee on Finance, and the Legislature did not recommend any changes to the Investment Board's 2002-03 adjusted base level of funding (\$17,720,500 annually).

1. INVESTMENT BOARD ATTORNEY POSITIONS

Senate/Legislature: Include the Investment Board among the executive branch agencies that would be exempted from the requirement that 31.0 full-time equivalent agency attorney positions be deleted by January 2, 2004, and the associated salary and fringe benefit amounts be lapsed or transferred to the general fund. [See "Administration--Transfers to the Department."]

Veto by Governor [D-2]: Delete all references to the word "attorney," so that the Secretary of DOA must eliminate 31.0 positions that are vacant as of January 2, 2004. Delete the exemption of the University of Wisconsin System, so that the only executive branch agencies that would be exempted from the position reductions are the Department of Employee Trust Funds and the Investment Board.

[Act 33 Section: 9101(9x)]

[Act 33 Vetoed Section: 9101(9x)]

2. DELEGATION OF BOARD OF COMMISSIONERS OF PUBLIC LANDS INVESTMENT AUTHORITY TO THE INVESTMENT BOARD [LFB Paper 171]

Governor: Provide statutory authority for the Board of Commissioners of Public Lands (BCPL) to delegate to the Investment Board authority to invest part or all of the monies belonging to any of the four trust funds (the common school fund, the normal school fund, the university school fund and the agricultural college fund) managed by the BCPL. Specify that if the BCPL chooses to make such a delegation, the Investment Board may invest the monies belonging to the four trust funds in any manner currently authorized for any of the other sixty funds that are enumerated under s. 25.17(1) of the statutes for which the Investment Board is authorized to invest fund assets. Further, create a requirement that the Executive Director of the Investment Board assign an employee of the Investment Board to assist the BCPL in establishing and maintaining investment objectives with respect to its four trust funds. In connection with this requirement, the Investment Board would be authorized to charge the cost of such services to the BCPL, with any funds received to be deposited in the Investment Board's program revenue funded, general program operations appropriation.

Joint Finance/Legislature: Delete provision.